



SSR-SPP

Roundtable Report

Rethinking Social Housing in Singapore

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Social Service Research Centre (SSR) is a research centre within the Faculty of Arts and Social Sciences, National University of Singapore. It was set up with the aim of bringing together resources and ideas to promote and test social innovations and help evolve a new social service infrastructure for Singapore's next phase of social development.

Participants

Chua Beng Huat, Professor, Department of Sociology, NUS

Neo Yu Wei, Research Fellow, Social Service Research Centre, NUS

Ng Kok Hoe, Assistant Professor, Lee Kuan Yew School of Public Policy, NUS

Ng Yue Hoong, Irene, Associate Professor, Department of Social Work, NUS

Noor Aisha Bte Abdul Rahman, Head, Department of Malay Studies, NUS

Ong Qiyen, Deputy Director (Research), Social Service Research Centre, NUS

Reuben YP Wong, Associate Professor, Department of Political Science, NUS

Tan Ern Ser, Associate Professor, Department of Sociology, NUS

AWARE

Casa Raudha Women Home

ComCare and Social Support Division, Ministry of Social and Family Development

Covenant Family Service Centre, Methodist Welfare Services

Housing Management Division, Housing and Development Board

Lakeside Family Services

Research and Strategy Management Division, Ministry of National Development

Thye Hua Kwan Family Service Centre @ Tanjong Pagar

TRANS Family Services

Introduction

Housing remains one of the key areas of concern for low-income families in Singapore. To low-income families with no other housing options and family support, subsidised public rental housing is their last resort. From the state's perspective, however, public rental housing is not meant to be a long-term solution. The objective of the public rental housing scheme is to provide shelter for those with financial difficulties until they are ready to own a home.

The state of the rental dwellers and the goals of the public rental housing scheme raise many questions. Is home ownership realistic for all rental dwellers? If not, how can we provide a future for these rental dwellers? Further, what are the roles of rental housing in helping families transit from financial struggle to financial stability and hence rental housing to home ownership? Is it only a roof over their heads?

Eighteen representatives from the academia, government agencies and voluntary welfare organizations gathered at the roundtable to discuss the idea of rental housing, what it is, what its roles are, and the way forward. The rest of the article assembles the key points of the discussion.

What is Rental Housing?

Housing with social dimension

Rental housing is also known as social housing because families who need rental housing usually face complex social issues. Therefore, the social dimension of assistance cannot be neglected when designing housing policies for these families.

A salient example brought up by the participants is the Interim Rental

Housing scheme, under which tenant families in need of urgent housing, while waiting for permanent homes, typically co-share a larger flat to reduce rental costs. Privacy, safety and conflicts from incompatible lifestyles between co-tenants are all potential stressors for the families. "We cannot expect women go to work with a peace of mind when they have to leave their children behind with a stranger". As this example illustrates, there is a need to bring back the social dimension of assistance back into the construction of housing policies.

Housing or a home

"Low-cost public housing is called social housing because there is a need to address the social dimension of things and not just put a roof over people's head"

In a country where high level of home ownership is seen as a national pride and rental tenure is relatively short and subject to review, it is no surprise that many rental dwellers do not consider rental housing as their home.

The home ownership narrative also attaches a stigma to public rental housing and, in turn, the families who live in them. While it is unintended by policy, rental flat dwellers feel a sense of shame among the majority for whom home ownership is viewed as ideal and the norm. Even though many of these households have no other realistic option apart from rental housing, social workers working with them expressed difficulties in steering them away from

the narrative that home ownership is the only acceptable way to live. The impact of stigmatism aside, these issues raise a more fundamental question of whether social housing can be a home for those who cannot afford to own a house.

What are the roles of Rental Housing?

Housing as an input to other improvements

From a systemic perspective, people can be empowered through their environment. A conducive and stable environment allows people to work on the other challenges in their lives. This is particularly important for low-income multi-stressed households.

To provide a conducive environment for change, attention must be paid to the living conditions of the diverse types of families living in rental housing. Schooling children, in particular, need an environment suitable for studying. A cramped living condition, such as a one-room flat with many household members, may prevent children from concentrating well. A cramped living condition also means more stress points that could trigger conflicts that affect both the adults and children in a family.

The current short tenures and strict eligibility criteria for public rental housing exacerbate the anxiety and stress faced by tenant families. The existing public rental housing scheme requires families to be reviewed every two years. Although it is common for tenancy to be renewed, low-income families tend to believe that the outcome of the review depends on getting a frontline officer, i.e. street-level bureaucrat, who can empathise with their situation. The fear of “case-by-case” generates a lot of uncertainty; they constantly worry about losing their

shelter. These worries may affect their short-run decision making as well as their long term psychological health, which are not useful in transiting them out of poverty.

“Rethinking social housing requires a change in the assumption that home ownership is the preferred option.”

Housing as a motivation to work

Concern remains, however, that the excessive stability provided by long-term housing can reduce tenants’ motivation to move towards self-reliance and home ownership. Limiting the stability and comfort of rental housing also serves to ward off the possible moral hazard that erodes self-reliance and encourages people to take advantage of public assistance. The trade-offs suggest that a careful balance needs to be struck.

Policy suggestions

Normalizing rental housing

“Rethinking social housing requires a change in the assumption that home ownership is the preferred option”. For some families, home ownership is simply beyond their reach. In time to come, public views on home ownership may change as wealthier, globally mobile individuals choose to rent instead of investing their capital in housing. Rather, they may allocate more resources in their children’s education. The policy ideal of home ownership has to be re-evaluated, not

just for low-income families, but also for the general population.

Participants discussed several suggestions on how to normalise rental housing. Firstly, consistent efforts need to be made to de-stigmatise public rental housing. For example, in many developed countries, the state prefers to subsidise the rents for low-income families through housing vouchers, rather than building public housing for them. This frees up options for families who may use the vouchers to rent from the private housing market.

Secondly, within a single block of flats, there could be a mix of rental and purchased households, instead of placing all low-income families in the same block or same cluster of rental blocks.

Thirdly, there could be more rental variation and gradation between the existing public rental housing options and purchased housing options. This can provide more quality rental housing options, with rents higher than existing rental fees but more affordable than private rental market options. As we move towards normalising rental housing, the stigma associated with public rental housing will be mitigated.

Improving stability of rental housing

Normalizing rental housing does not have to diminish the power of home ownership as a motivator for upward mobility.

Policies that encourage housing stability and hence a sense of permanence for tenant families can, in fact, help to improve the socio-economic prospects of its inhabitants.

Firstly, increasing the guaranteed rental tenure beyond the current two years will relieve the psychological stress families face and give them a longer

runway to work towards self-sufficiency, and give children stability in education. Participants suggested two tenure options - (i) five years; and (ii) a duration that allows the youngest child to complete primary education.

The longer tenancy also addresses the perverse incentive to under-declare incomes or not take on higher paying jobs for fear of losing the rental flat or of having to pay higher rental. While it is unlikely that HDB will evict rental tenants whose incomes rise above the income cap ceiling, the constant worry leads to the move unintended effect on work. Secondly, participants recommended relaxing the income ceiling for tenants during reviews. This will enable families to work on accumulating savings from higher incomes and not worry about losing their rental tenancy.

Maintaining conducive environment for change

Rental housing estates have been observed to be inferior in terms of sanitation and hygiene compared to other mainstream estates. Even with same level of maintenance provided, the environment in rental blocks could be poorer due to the higher rates of residents with mental health problems and multiple stressors, and a lack of a sense of ownership. While more resources could be invested to improve the cleanliness of rental housing estates, a more effective solution would be to help rental dwellers develop a sense of belonging and hence, increase their pride in maintaining their living environments. Normalizing rental housing and increasing housing tenure could both work to promote a sense of ownership among the tenants, creating more incentive for them to maintain and uphold the environment conditions within the home and the broader rental estate.

Especially for larger families with children, providing larger flats can help to ensure adequate space for kids to study and meet their basic needs for privacy. Without exception, the roundtable recognised that children's education should not be compromised

because of poor or unhygienic housing environments. After all, children's education and well-being hold the key to breaking the cycle of poverty for families.

Authors

Ong Qiyao, Deputy Director (Research), Social Service Research Centre

Neo Yu Wei, Research Fellow, Social Service Research Centre

Andrew Lim Sze Khew, Research Executive, Social Service Research Centre

Liu Emily Rowen, Research Assistant, Department of Social Work

Ting Yi Ting, Research Executive, Social Service Research Centre

Ng Yue Hoong, Irene, Associate Professor, Department of Social Work; Director, Social Service Research Centre

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SSR Centre Website: <http://www.fas.nus.edu.sg/ssr/index.html>
Email: ssr@nus.edu.sg

SSP Cluster Website: <https://www.fas.nus.edu.sg/researchclusters/ssp.html>
Email: fass_ssp@nus.edu.sg

